

UNITED STATES CIVIL SERVICE COMMISSION

BULLETIN

BULLETIN NO. 890-19

Washington, D.C. 20415
September 21, 1966

SUBJECT: Federal Employees Health Benefits Program: 1966 Open Season

Heads of Departments and Independent Establishments:

Section 890.301(d)(2) of the Federal Employees Health Benefits Regulations states:

"During the period November 14 to November 30, 1966, an employee who is not registered to be enrolled may register to be enrolled, and any enrolled employee or annuitant may change his enrollment from one plan or option to another, or from self alone to self and family, or both."

Accordingly, there will be an open season from November 14 through 30, 1966. The purpose of this open season is to give every employee eligible to participate in this program an unrestricted opportunity to change his health benefits registration.

I ask agencies to cooperate in fulfilling this purpose by observing the attached instructions governing the open season. These instructions are generally the same as were followed for the 1961 and 1963 open seasons. They differ from the 1965 open season primarily in that general distribution will be made to employees of the Governmentwide and comprehensive plan brochures. If an installation health benefits official needs more information or assistance, he should contact the Health Benefits Officer at his agency headquarters who may, if necessary, call the Commission's Bureau of Retirement and Insurance (Code 183, Extension 6384).

During this open season, annuitants who are enrolled also will be permitted to change their enrollments. Open season changes for annuitants are handled by their retirement systems; agency employing offices have no responsibility for annuitants' enrollment changes.

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INQUIRIES: Bureau of Retirement and Insurance, 343-6384
(Code 183, Extension 6384)

CODE: 890, Federal Employees Health Benefits

DISTRIBUTION: FPM Supplement 890-1

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1966 OPEN SEASON INSTRUCTIONS1. Permissible Changes.

The following changes in registration may be made by employees during the open season:

- a. Any eligible employee who is not registered to be enrolled may register to enroll;
- b. Any employee who is enrolled may change from one plan or option to another plan or option, or from self only to self and family (or the reverse), or any combination of these changes.

New enrollments and enrollment changes permitted by other sections of the Regulations may continue to be made, as usual, between November 14 and 30, 1966. Such changes should not be classified as open season changes.

2. Mandatory Changes.

- a. Two comprehensive plans, the Physicians and Surgeons Association, Los Angeles, California, and the Physicians Association of Clackamas County, Oregon, will no longer participate in this Program effective at the end of this year (1966). Another comprehensive plan, the California County Medical Societies' Foundation for Medical Care, is eliminating Riverside County, California, from its enrollment area, also effective at the end of 1966. Therefore, all employees enrolled in the two plans which will no longer participate, and all employees enrolled in the Foundation for Medical Care who live in Riverside County, California, must change to other plans in order to continue their health benefits protection under this Program. If they do not do so during this open season, their enrollments will be considered as having been cancelled. Employing offices should identify their affected employees and wherever possible, contact each such employee to inform him of the need to change his enrollment. The Foundation for Medical Care will also contact those enrollees who live in Riverside County.

If an employee affected by one of these changes does not file an open season change to another plan, the employing office must prepare SF 2809 for the employee cancelling his enrollment effective at the end of the last pay period which begins in December 1966. A notice of such cancellation, and the reason therefor, must be given to the employee, and a copy of the notice must be filed with the employing office copy of SF 2809.

- b. Two comprehensive plans, Kaiser Foundation Health Plan, Southern California Region (Los Angeles), and Kaiser Foundation Health Plan, Northern California Region (Oakland), are eliminating their low options. Any employee who is enrolled in the low option of either of these Kaiser Foundation Health Plans may, of course, change to another plan if he wishes to do so during the open season. Employees who do not submit open season changes will be automatically transferred to the Plans' remaining (high) options. An employee enrolled in the low option of either plan who wishes to continue in the remaining option need, therefore, take no action. However, payroll offices must change their records to show the remaining (high) option code and also change salary withholdings and contributions. Official personnel folders must also be noted so that the next SF 2809 or 2810 processed will show the correct enrollment code number. Payroll offices should make appropriate adjustments on the first SF 2811 submitted to the plans after the beginning of the first pay period in January and show under "Remarks" the number automatically transferred from the Low Option codes (04 and 05) to the High Option codes (01 and 02). There is no need to submit to the plans a listing of names or any documents for the enrollees involved.

3. Timely Registration.

To be considered timely filed, an open season change (Health Benefits Registration Form, Standard Form 2809) must be received by the employing office no later than November 30, 1966. The employing office does, of course, have authority to accept and process a late registration if it determines, under Section 890.301(b) of the Regulations, that the employee was unable for cause beyond his control to take timely advantage of the scheduled open season. Belated open season changes should be so identified under Remarks on SF 2809 and properly documented in the Official Personnel Folder (see Section S5-3b of FPM Supplement 890-1).

4. Agency Responsibilities.

- a. Revised instructions and brochures. The open season instructions pamphlet (BRI 41-117) will be revised to inform employees of their open season opportunity to enroll or change enrollment. The brochures describing the various plans are also being revised to reflect the new Government contributions and any benefit and premium rate changes. The brochure for each plan will show on one of the last pages what changes, if any, are being made in the plan. The revised 41-117 and the brochures will be printed on blue paper to distinguish them from the present yellow brochures. Yellow brochures will be obsolete and should be destroyed upon receipt of the new blue ones.
- b. Material to be given employees. Every employing office must give to each eligible unenrolled employee, and to each enrolled employee (regardless of the plan in which he is enrolled), the following revised open season (blue) material:

BRI 41-117, Open Season Instructions

The brochure of the Governmentwide Indemnity Benefit Plan (BRI 41-25)
The brochure of the Governmentwide Service Benefit Plan (BRI 41-24),
together with the Basic Surgical-Medical Benefits Folder
(fee schedule) applicable to the particular area. The
Folders are also being revised and reprinted on blue
paper. Local Blue Cross-Blue Shield plans are responsible
for furnishing these folders to installations.

In addition, employing offices must give to each employee in an area served by a group- or individual- practice plan the brochure of that plan.

- c. Employee organization brochures. No general distribution of employee organization plan brochures need be made but such a brochure must be furnished an employee if he requests it. Each employee who is already a member of an employee organization sponsoring a plan, whether or not he is enrolled in its plan, will receive a revised brochure through the mail directly from the Civil Service Commission. However, to satisfy requests from nonmembers, every employing office must have on hand a stock of brochures of each employee organization which its employees are eligible to join. In this connection, it is important that employing offices are aware that membership in the following employee organizations is open to practically all Federal employees (regardless of the agency in which they work) either on a regular- or associate- membership basis:

AFGE Health Benefit Plan (BRI 41-26)

Alliance Health Benefit Plan (BRI 41-170)

Government Employees Hospital Association Benefit Plan (BRI 41-48)

NALC Health Benefit Plan (BRI 41-51)

National Postal Union Health Benefit Plan (BRI 41-57)

Every employing office must have a supply of these five brochures to meet employee requests. Any method may be used by an agency for making employee organization plan brochures available upon request so long as an employee is not denied a brochure if he asks for one. Employing offices are also reminded of the requirement in S21-3c of FPM Supplement 890-1 for maintaining reference sets of all brochures.

- d. When material should be distributed. Brochures and other materials will be delivered to central supply points of agencies as they are printed. These supply points should set their redistribution schedules so that all agency installations will have all open season material as soon as possible, but not later than November 10, 1966. Installations may make their distribution as soon as they receive their supplies of both Governmentwide plan brochures, group- and individual-practice plan brochures for their area, if any, and the employee organization plan brochures which employees of the agency are eligible to join (see para. 4c of this Bulletin). However, materials received must be issued to employees no later than November 14, 1966, even if not all the brochures have been received by that time.

- e. Emergency supplies of material. If, for any reason, regular distribution channels fail to timely supply the required brochures and instructional materials to an employing office by the second week in November, the employing office should obtain emergency supplies of the material by wiring or phoning its own supply center or agency headquarters health benefits officer. Headquarters officials should inform all employing offices whom to contact for this purpose. Some emergency supplies will be located in each of the Commission's regional offices and where normal distribution channels fail, the Commission's regional offices may be able to help.
- f. Standard Forms 2809 and 2809-A. Standard Form 2809 should not be generally distributed, but should be given to an employee only if he asks for it to change his registration. SF 2809-A should not be generally distributed at this time, but since BRI 41-117 reminds employees that they should each have a copy, it is possible that there may be a stepped-up demand for the SF 2809-A in conjunction with the open season, and installations should be prepared for it.
- g. Changes in salary withholdings for health benefits. Some plans are increasing their subscription charges. Therefore, the Schedule of Subscription Charges which was issued with FPM Supplement 890-1, Installment 11, will become obsolete for payroll periods commencing with the first pay period which begins on or after January 1, 1967. A new schedule will be issued before that date to all payroll offices.
- h. Counselling. Agencies are also responsible for counselling employees who ask for help on health benefits matters. Counselling activities should be limited to answering questions about the health benefits program and the application of health benefits law and regulations to particular circumstances. Counsellors should try to answer any specific questions on benefits by reference to the brochure but if there is doubt about the answers, the employee should be told to contact the local office or representative of the plan. Employees should not, of course, be counselled as to which plan is "best."
- i. Promotional activity prohibited. As in the past, agencies and installations should not permit the use of Government facilities or official time for unauthorized promotion of plans by carrier representatives. Carriers are authorized to reprint and distribute their own brochures but they have been informed that this can be done only at their own (not the plan's) expense and without use of agency facilities.

NOTE: Agencies should, of course, use their facilities to distribute the Service Benefit Plan's Basic Surgical-Medical Benefit Folder, as this is an integral part of the Plan's brochure.

5. Publicity.

Agencies and installations are urged to inform employees, in advance, of the dates and purpose of the open season. Following is a suggested text for an announcement which may be adopted for publication in house organs, posting on bulletin boards, "memo to employees," etc.

"All employees enrolled in plans offered under the Federal Employees Health Benefits Program will have an opportunity to change their enrollment during the open season scheduled for November 14-30, 1966. Eligible employees who are not enrolled will be able to enroll during this open season.

"Changes enrolled employees may make are:

- . From one plan to another
- . From one option to another option in the same or a different plan
- . From self only to self and family, or the reverse.

The brochures for all health benefits plans participating in this program have been revised; most have changed benefits or rates or both. These new brochures are printed on blue paper to distinguish them from the present yellow brochures, which are obsolete after January 1, 1967.

"Before November 14, 1966, the /name of installation office making distribution/ will distribute to each eligible employee an open season instructions pamphlet (BRI 41-117) and brochures of the two Government-wide plans /and brochures of group or individual-practice plan(s) serving the area in which employees of this installation are located/. Members of employee organizations which sponsor health benefits plans will receive brochures of the organization's plan through the mail direct from the Civil Service Commission.

"Any employee who does not receive the appropriate brochures and the instruction pamphlet by November 14, 1966, should contact /name of person or office location, telephone number/. Any employee who is interested in an employee organization plan brochure will be able to obtain a copy on request from /name of person or office, room number, and phone number or explain here if brochures will be available to be picked up by employees at various points in the installation/. If, after studying the brochures and pamphlet BRI 41-117, an employee has a question, he should contact /name of office or person/ at /location or telephone number or both/.

"An employee who does want to change his enrollment, or who is not now enrolled and wants to enroll, must complete a new Health Benefits Registration Form (Standard Form 2809). The completed registration form must be received in /name of office/ no later than November 30, 1966. (Explain here where and how to get SF 2809)".

NOTE: Installations with enrollees in a plan or option which is being discontinued should add another paragraph along the following lines;

"If you are enrolled in /name of discontinued plan or option/ you must change your enrollment because the /plan or option/ is being discontinued. Be sure to carefully read the pamphlet BRI 41-117 for additional details."

6. Procedures.

a. Effective Date of Open Season Changes.

The effective date of an open season change from not enrolled to enrolled is the first day of the first pay period which begins on or after January 1, 1967, and which follows a pay period in any part of which the employee was in a pay status. (However, enrollment of a new employee who happens to register for the first time during the open season is effective the same as for all new employees.)

The effective date of an open season change in enrollment is the first day of the first pay period which begins on or after January 1, 1967, regardless of whether or not the employee was in pay status during the preceding pay period.

For an open season change belatedly filed and accepted, the effective date is the first day of the first pay period which begins on or after January 1, 1967 and after the SF 2809 is received in the employing office. The requirement of having been in a pay status during the preceding pay period also applies to belatedly filed changes from not enrolled to enrolled.

b. If Employee Does Not Change.

An employee who does not want to change his registration need take no action during the open season; except for the mandatory changes indicated in item 2, his current registration will continue. If he is enrolled and does not change enrollment, any changes in benefits and rates made by his plan will automatically apply to him.

c. If Employee Changes.

An employee who wishes to change from not enrolled to enrolled, or from one plan or option to another, or from self only to self and family (or the reverse), or any combination of these changes, must complete and submit SF 2809 to his employing office. Open season SF 2809's generally should be processed the same as registrations handled at other times; however, we would like to emphasize these points:

- (1) The number of the event permitting the change, to be given in Part D of the form, is 1 (one); the date of the event should be omitted. If there is a change from one plan or option to another, show the old enrollment code number in the appropriate section of Part D.
- (2) If the employee changes his registration but remains with the same plan (e.g., if he changes options or changes from self only to family but within the same plan), the employing office should strike through the carrier's control number preprinted in the upper-right corner of SF 2809 and insert, in the space below that number, the old carrier's control number, which may be obtained from the last health benefits form in the employee's official personnel folder. No SF 2810 should be prepared in these cases.
- (3) If the employee changes to a different plan during the open season, he acquires a new carrier's control number. The preprinted number in the upper-right corner of the SF 2809 on which he registers to enroll in the new plan becomes his new carrier's control number, and the old number should not be inserted in the space below the preprinted carrier's control number. In such cases, SF 2810 must be prepared by the employing office to notify the losing carrier that the employee has changed to another plan. In completing the SF 2810, the old carrier's control number must be used. Also, check Item C on the SF 2810, and give the effective

date of the action as the day before the day on which the new enrollment becomes effective. Do not send the original of this SF 2810 to the employee. *

d. Importance of Prompt Action on Change Forms.

Payroll offices should process open season SF 2809's and 2810's and send them to the carriers on a daily basis. Losing carriers must be notified as soon as possible of a termination of enrollment by reason of a "Change in Plan" so that they do not guarantee, or give, benefits to employees or family members after termination of enrollment. It is also important that gaining carriers be notified of new enrollments so that employees and covered family members may promptly receive identification cards as evidence of the new coverage. We cannot emphasize too strongly the necessity for processing Forms 2809 and 2810 promptly.

e. Changing Payroll Records.

Payroll offices should adjust their controls for enrollment changes and rate changes after the carriers' copies of SF 2809 and SF 2810 have been transmitted. The payroll office should post to the SF 2809 and SF 2810 the SF 2811 report number which is used to send the document to the carriers.

Particular care should be taken to insure that appropriate withholdings and Government contributions are posted to payroll records beginning with the first pay period which begins on or after January 1, 1967.

*If changes from any one plan are numerous enough to require daily processing of many SF 2810's to the same losing carrier, notices to that carrier may be processed in batches of about 25 on one SF 2810. On this one SF 2810, complete Items 5 and 7 of Part A, and give the name of the losing plan in Item 6. Check Part C and under Remarks say "(number) multiple open season terminations due to changes from your plan--see attached list." The agency certification also should be completed.

Prepare a list in duplicate showing, in columnar arrangement, the name, date of birth, carrier's control number, and enrollment code number of each employee terminating coverage with the carrier. Attach one copy of the list to the carrier copy and one to the payroll office copy of the SF 2810 as their action copies. Destroy the original and employing office copies of SF 2810. The employing office copy of the open season SF 2809 electing the change in plans, will suffice to show the transaction.

f. Employees Who Separate or Transfer.

- (1) If the losing office knows that the employee will transfer, retire, or separate before the effective date of the open season change, it should not process the open season SF 2809. Instead, the losing office should--
 - (a) If the employee is transferring or retiring, have the employee complete his open season SF 2809, and have the authorized agency official note his initials and date in Part F of the Form to show that the open season registration was timely submitted. The name of the losing installation and the signature of its certifying officer should not appear on the SF 2809.
 - i. In transfer cases, return the SF 2809 to the employee and instruct him to give it to the gaining employing office as soon as he enters on duty there. The gaining office should process the open season SF 2809 as if the form had been timely filed with it.
 - ii. In retirement cases, attach the SF 2809 to other health benefits documents and the SF 2806 when they are submitted to the retirement system.

NOTE: Losing and gaining offices must prepare transfer-out and transfer-in SF 2810's as usual, transferring the old enrollment in effect at the time of the employee's transfer or retirement.

- (b) If the losing office knows that an employee will resign or otherwise be separated (not for retirement) before the effective date of the open season change, the open season SF 2809 should not be accepted.
- (2) If an open season change has been processed but the employee unexpectedly transfers or retires before the effective date of that change, the losing office should--
 - (a) Void all open season forms and transfer the existing enrollment (if any) to the gaining office.
 - (b) Tell the employee that his open season change has been voided, and if possible, have him complete a new SF 2809 and handle it as stated in paragraph f (1)(a) above.

- (c) If it is impossible to take this action quickly, the losing office should notify the gaining office that the employee's open season change was timely filed, has been voided, and that a new open season SF 2809 may be belatedly accepted by the gaining agency.
- (3) If an open season change has been processed but the employee separates (including separation because of death) before the effective date of the change:
 - (a) If the change did not involve a change in plans, note in Remarks on all copies of the SF 2810 terminating the enrollment "Separated (or died)--Open Season SF 2809 void." On the carrier copy, also give the SF 2811 report number by which the open season SF 2809 was sent to the carrier.
 - (b) If the change involved a change in plans, void the open season SF 2809. Also prepare SF 2810 terminating the old enrollment, and note in Remarks on all copies of the SF 2810 terminating the enrollment "Termination supersedes 'Change in Plan' SF 2810 dated (give date)." Also, on the carrier copy, give the SF 2811 report number by which the "Change in Plan" SF 2810 was sent.

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